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REPORT

50X1-HUM

CD NO.

COUNTRY China  
 SUBJECT Economic - Trade  
 HOW PUBLISHED Daily newspaper  
 WHERE PUBLISHED Hong Kong  
 DATE PUBLISHED 29, 30 Nov 1950  
 LANGUAGE Chinese

DATE OF INFORMATION 1950

DATE DIST. 5 Feb 1951

NO. OF PAGES 3

SUPPLEMENT TO REPORT NO.

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Ta Kung Pao.

REVIEWS CHINESE-MONGOL TRADE CONDITIONS;  
GOVERNMENT TRADING COMPANIES STABILIZE PRICES

Leadership of the new people's authorities in Inner Mongolia has resulted in equalization of treatment of Chinese and Mongols in their relationships. Government trading companies are succeeding in stabilizing prices which results in increased income for the Mongols.

The chief trading centers are Kalgan in Chahar Province and Pao-t'ou in Suiyuan Province. Itinerant traders, now required to carry passes issued by the trading companies, find these passes to be an aid in moving about and trading.

Much trade is still on a barter basis, but comparative values of goods are based on posted prices of the government trading companies. The chief Mongol products are hides, furs, live animals, and rape seed. The chief Mongol requirements from the outside include better-grade cotton cloth, brick tea, tobacco, and silks.

A People's Bank of Inner Mongolia with its own currency, whose value is on a par with the Northeast Currency, has been established.

Kalgan (Correspondence) -- In the days of feudalism and bureaucracy in Mongolia, a jade mouthpiece for a tobacco pipe could be exchanged for a horse, but under the leadership of the CCP there is developing a new type of Chinese-Mongol trade based upon equality.

The chief trading centers for Chinese-Mongol trade in the Inner Mongolian Autonomous Region are Kalgan for the Chahar and Silingol Leagues, and Pao-t'ou for the Ikechou and the Ulanchap Leagues of Suiyuan Province.

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In eastern Inner Mongolia, government grain, general merchandise, and animal husbandry companies have been set up. There is a West Mongol Trading Company at Kalgan, and the authorities of the Ikechou Autonomous Area /sic/ have established a publicly operated trading company at Tung-sheng (1) /numbers refer to appended characters/, Suiyuan. The government companies have been endeavoring to establish parity of prices in the fields of industrial, agricultural, and grazing products. These efforts have met with some success. Formerly, one bolt of coarse cloth was exchanged for one shih /one shih equals 100 liters/ of millet, but now it brings only about 4 tou /one tou equals 10 liters/. Formerly 13 shih of millet were demanded for one bolt of white market cloth, but only 5 shih 2 tou are now required. Mongols are securing what they need and being furnished a market for their products.

During the first 5 months of its existence, the trading company at Tung-sheng sold 3,400,000,000 yuan worth of goods to the Mongols of the various banners in its territory and took in exchange grain and other local products. The company is setting up branches for the convenience of the more distant tribesmen.

The West Mongol Trading Company has opened three branch trading posts within the territory of the Chahar League and one in the territory of the Silingol League. In other areas, traveling trader groups are sent out to aid the cooperatives in buying up local products.

As a result of these activities, prices have approached stabilization. Prices are posted by the trading companies. Under the leadership of the publicly operated trade organizations and the cooperatives, Chinese-Mongol trade has been regularized except in a few remote places.

Inner Mongolia has its own people's currency, the value of which is on a par with the Northeast currency. A People's Bank of Inner Mongolia has been established to serve the three hsiens of To-lun (2), Pao-yuan (3), and Hua-te (4), which have lately been transferred from Chahar Province to West Mongolia. Because of the shortage of currency, trade transactions in the area are carried on by barter with values determined by the posted prices of the trading company.

High transport costs make industrial products expensive in Inner Mongolia where ox cart, camel cart, or camel caravan are still the common means of goods transport.

The Inner Mongolia requirements for goods from outside are mainly for cloth, brick tea, tobacco leaf, and silks. However, coarse cloth from China has no market in this area. Hides, furs, and live animals are the chief export items produced in Inner Mongolia. About a million catties of rape seed are produced annually in the To-lun area.

The Mongols are receiving much better prices for their products than a few years ago. For instance, in 1946, 20 catties of wool could be bought for 1.50 silver yuan, but today one catty of wool is worth 1.25 silver yuan. A horse, which in 1946 would have been traded for one bolt of market cloth is now considered to be worth  $3\frac{1}{2}$  bolts. The purchasing power of the Mongols has thus risen. Today, the average annual purchasing power /per person/ in the Chahar and Silingol Leagues is one bolt of market cloth.

A trade conference held in April 1950 in Kalgan, under the auspices of the Kalgan Industrial and Commercial Association, ironed out a number of trading problems and instituted a new system for the itinerant traders who travel among the banners of the Chahar and Silingol Leagues. They now must carry a travel pass issued by the West Mongol Trading Company which is issued to them on the recommendation of the Kalgan Industrial and Commercial Association. The testimony of traders using this system is that it makes it much easier for them

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to travel and do business anywhere in the area. Traders under this system are enjoying good business and earning a good profit. Two representatives of one firm, in 2 months of trading, sold goods costing 4,692,950 yuan for 7,724,650 yuan, with a gross profit of 3,031,700 yuan. Another team of two traders grossed 5 million yuan profits on an investment of 4,232,650 yuan [presumably these figures are all in Inner Mongolian currency]. With such profits available, Kulgen's itinerant trading firms increased from 30 to 51.

During 1950 in Suiyuan Province, the Tung-sheng Trading Company bought from among the Ikechou and Ulanchap Leagues 130,000 catties of camel's hair, 40,000 catties of white felt, 300,000 catties of wool, 1,200 head of cattle, 500 head of horses, 30,000 sheep, 400 cowhides, 1,000 goat hides, 2,000 lamb-skins, and 3,000 t'a-tzu (5) skins.

## CHARACTERS

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|-------|-------|
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| 2. 多倫 | 5. 莊子 |
| 3. 寶源 |       |

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